

DIRECT TESTIMONY

OF

WILLIAM H. ATWOOD JR., P.E.
WATER ENGINEER

WATER ENGINEERING PROGRAM
SAFETY & RELIABILITY DIVISION
ILLINOIS COMMERCE COMMISSION

ILLINOIS-AMERICAN WATER COMPANY

APPLICATION OF ILLINOIS-AMERICAN WATER COMPANY
FOR VARIANCE FROM PART 600.370(C)(2) OF THE RULES
OF THE ILLINOIS COMMERCE COMMISSION AND FROM
ILLINOIS-AMERICAN WATER COMPANY'S TARIFF
ILL. C. C. 23, ORIGINAL SHEET NO. 7, 8(B)

DOCKET NO. 15-0615

FEBRUARY 24, 2016

WITNESS IDENTIFICATION AND BACKGROUND

1 **Q. Please state your name and business address.**

2 A. My name is William H. Atwood Jr. My business address is 527 East Capitol
3 Avenue, Springfield, Illinois 62701.

4
5 **Q. Please describe your present position and its responsibilities.**

6 A. I am employed as a Water Engineer in the Water Engineering Program of the
7 Safety & Reliability Division of the Illinois Commerce Commission (“ICC” or
8 “Commission”). My responsibilities include reviewing and analyzing tariff filings
9 related to rates, rules, regulations, and conditions of service for water and
10 wastewater service; reviewing applications for certificates of public convenience
11 and necessity; conducting inspections of public water and wastewater facilities;
12 reviewing information regarding the prudence of Qualifying Infrastructure Plant
13 investment costs; reviewing requests for general increases in rates for water and
14 wastewater service; reviewing applications for approval of proposed
15 reorganizations; and presenting expert witness testimony at Commission
16 hearings.

17
18 **Q. Please describe your professional experience.**

19 A. I have been employed by the Commission since February 2007. Prior to joining
20 the Commission, I was employed by the Illinois Department of Transportation
21 (“IDOT”) - Division of Highways/District 6 as a civil engineer for approximately four
22 years. Prior to IDOT, I was with a private consulting engineering firm for twelve

years where I was project manager on wastewater and potable water projects. Before my consulting engineering work, I was employed at the Illinois Environmental Protection Agency ("IEPA") - Division of Water Pollution Control as an engineer for approximately six years.

Q. Please describe your educational background.

A. I received a Bachelor of Science Degree in Civil Engineering from the University of Illinois at Urbana-Champaign in 1983. I became a Licensed Professional Engineer ("P.E.") in the State of Illinois in January of 1991.

Q. Please describe your professional affiliations.

A. I am a member of the American Water Works Association and the Water Environment Federation.

Q. Have you previously provided expert testimony in regulatory matters?

A. Yes. I have previously provided testimony before the Illinois Pollution Control Board while working at the IEPA. I also have previously provided testimony before the Commission on numerous issues related to my responsibilities.

INTRODUCTION

Q. What is the purpose of this proceeding?

A. The purpose of this proceeding is to consider Illinois-American Water Company's ("IAWC" or the "Company") Application for a Variance from 83 Ill. Adm. Code

600.370(c)(2) and from the Company's Rules, Regulations, and Conditions of Service Tariffs for Water Service (ILL. C. C. 23, Original Sheet No. 7, 8(b)) ("Application").

Q. By what standard may the Commission grant a the Variance requested by the Company?

A. Specifically, 83 Ill. Adm. Code 600.60, provides that:

If hardship results from the application of any rule herein prescribed, or if unusual difficulty is involved in complying with any rule or otherwise upon good cause shown, a formal application or written request, as may be appropriate under the circumstances, may be made to the Commission for the modification of the particular rule or for an exemption from its provision. Upon good cause shown the Commission may then modify that rule or provide an exemption for that utility.

In this case, IAWC has requested a variance from 83 Ill. Adm. Code 600.370(c)(2), as provided for in this rule.

Q. What is the purpose of your testimony?

A. The purpose of my testimony is to provide Staff's opinion on whether the Company has met the requirements of 83 Ill. Adm. Code 600.60 and if the Commission should grant the requested Variance.

Q. What information have you reviewed with respect to the Company's request in the instant proceeding?

A. I have reviewed the Company's Application, including all attached Exhibits; the Amended Application, including all attached Exhibits; and the Direct Testimony of

IAWC witness Jeff G Lampe (IAWC Ex. 1.00), including all attached Exhibits and the Company's certificated area maps on file with the Commission.

Q. What conclusions have you reach based upon your review?

A. Based on my review it is my opinion that the Company's request for a variance from the Commission's rules and the Company's tariffs is reasonable and the Company has shown good cause for an exemption from the rule.

GENERAL DISCUSSION AND ANALYSIS

Q. Please describe the rule for which the Company is requesting a Variance.

A. The rule codified as 83 Ill. Adm. Code 600.370(c)(2) requires, in part, "[t]he service connection ... be located so that no portion of the customer's service line shall pass through lands, buildings or parts of buildings which are not the property of the applicant for service." The Company's Rules, Regulations, and Conditions of Service tariff sheet for water service, ILL. C. C. 23, Original Sheet No. 7, 8(b), contains essentially the same restriction.

Q. What is the Company's stated reason for seeking a Variance from 83 Ill. Adm. Code 600.370(c)(2)?

A. Three applicants have requested new water service from IAWC. One applicant is located in Hardin County. The other two applicants are in St. Clair County. All of the applicants are within the Company's certificated area, however their properties

are landlocked and do not have direct access to the Company's water mains.¹
Therefore the applicant's service lines would have to extend through the lands of
other property owners for them to obtain water service from IAWC.

**Q. What provisions are proposed to contend with providing water service to
the applicant's?**

A. The applicants are proposing to install their water service lines through the
neighboring properties. The applicant in Hardin County is surrounded by the
Shawnee National Forest, which is administered by the U.S. Dept. of Agriculture
Forest Service ("USDA-FS").² In this case, the applicant has obtained a Special
Use Permit from the USDA-FS to install and maintain their service line. The
Company provided the Special Use Permit as Exhibit B, attached to each of the
Application, the Amended Application, and IAWC Ex 1.00.

The two applicants in St. Clair County have recorded easements on adjacent
properties which allow for the installation and maintenance of their proposed
service lines. The Company provided the recorded easement for the Budde
service as Exhibit C to each of the Application, the Amended Application, and
IAWC Ex 1.00. The Company provided the recorded easement for the
Obernuefemann service as Revised Exhibit F to the Application and IAWC Ex
1.00.

¹ Amended Application, 2-5; IAWC Ex. 1.00, 3-8.

² Amended Application, 2-3; IAWC Ex. 1.00, 3-5.

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118 **STAFF POSITION AND RECOMMENDATION**

119 **Q. What is your position with regard to the Company's request?**

120 A. Based on my review of the Company's documentation, it is my opinion that
121 the Company's request for a variance from the Commission's rules and the
122 Company's tariffs is reasonable and the Company has shown good cause
123 for an exemption from the rule.

124

125 **Q. What are your recommendations to the Commission in this**
126 **proceeding?**

127 A. I recommend that the Commission approve the Company's request for a
128 variance from 83 Ill. Adm. Code 600.370(c)(2) and from Original Sheet No.
129 7, section 8(b) of the Company's Rules, Regulations, and Conditions of
130 Service tariffs for water service.

131

132 **CONCLUSION**

133 **Q. Does this conclude your prepared direct testimony?**

134 A. Yes.